

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

AS PASSED BY THE

ONE HUNDRED AND FIFTEENTH LEGISLATURE

FIRST REGULAR SESSION

December 5, 1990 to July 10, 1991

Chapters 1 - 590

THE GENERAL EFFECTIVE DATE FOR  
NON-EMERGENCY LAWS IS  
OCTOBER 9, 1991

PUBLISHED BY THE REVISOR OF STATUTES  
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,  
TITLE 3, SECTION 163-A, SUBSECTION 4.

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J.S. McCarthy Company  
Augusta, Maine  
1991

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**PUBLIC LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED AT THE**  
**FIRST REGULAR SESSION**

**of the**  
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**1991**

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**Sec. 3. Allocation.** The following funds are allocated from Other Special Revenue to carry out the purposes of this Act.

	1991-92	1992-93
<b>PROFESSIONAL AND FINANCIAL REGULATION, DEPARTMENT OF</b>		
<b>Board of Funeral Service</b>		
Personal Services	\$1,400	\$1,400
All Other	10,000	10,000
<b>TOTAL</b>	<u>\$11,400</u>	<u>\$11,400</u>
Provides funds for additional per diems and board expenses and for rulemaking, form preparation and other administrative costs.		
<b>Licensing and Enforcement</b>		
Personal Services	\$3,975	\$5,800
Provides funds for the cost of a 1/4 time Clerk Typist III position.		
<b>DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION</b>		
<b>TOTAL</b>	<u>\$15,375</u>	<u>\$17,200</u>

See title page for effective date.

**CHAPTER 118**

**H.P. 363 - L.D. 517**

**An Act Concerning the Payment of Interest on Mandatory Escrow Balances**

Be it enacted by the People of the State of Maine as follows:

**Sec. 1. 33 MRSA §504** is enacted to read:

**§504. Interest on residential mortgage escrow accounts**

**1. Loan provisions required.** A mortgage deed resulting from a mortgage loan must contain provisions for payment of interest on the escrow balance in accordance with Title 9-B, section 429 if:

**A.** The mortgage is on owner-occupied residential property of not more than 4 units; and

**B.** The loan or note requires payments into a mandatory escrow account.

**2. Applicability.** The requirements of this section apply to any residential mortgage deed dated on or after January 1, 1992.

**Sec. 2. 33MRSA §767**, as enacted by PL 1967, c. 377, is amended to read:

**§767. Mortgage deed**

A deed in substance following the form entitled "Mortgage Deed" shall when duly executed have has the force and effect of a mortgage deed to the grantee, his the grantee's heirs and assigns, to him the grantee and their use and behoof forever, with covenants on the part of the grantor, for himself the grantor, with the grantee, his the grantee's heirs and assigns, that at the time of the delivery of such mortgage deed he the grantor was lawfully seized in fee of the premises, that they were free of all encumbrances, that he the grantor had good right to sell and convey the same to the grantee to hold as aforesaid, and that he the grantor and his the grantor's heirs shall and will warrant and defend the same to the said grantee, his the grantee's heirs and assigns forever, against the lawful claims and demands of all persons; and with mortgage covenants and upon the statutory condition as defined in sections 768 and 769 to secure the payment of the money or the performance of any obligation therein specified. The parties may insert in such mortgage any other lawful agreement or condition. If section 504 or Title 9-B, section 429 or a mortgage loan or mortgage note requires the payment of interest on a mandatory escrow account, that requirement must be stated in the mortgage deed.

See title page for effective date.

**CHAPTER 119**

**H.P. 573 - L.D. 824**

**An Act to Require Voter Approval for Disposal of School Property**

Be it enacted by the People of the State of Maine as follows:

**20-A MRSA §7** is enacted to read:

**§7. Property disposal**

A school board shall establish a policy for the disposal of personal school property valued at more than \$5,000. The policy must include a provision that member municipalities be notified of any planned property disposal under this section.

See title page for effective date.

**CHAPTER 120**

**S.P. 435 - L.D. 1156**

**An Act to Extend the Reporting Deadline of the Commission to Study the Certificate of Need Law and the Impact of Competitive Market Forces on Ambulatory Health Services**